

OM 041-2002 (6000) PHYSICIAN/DENTIST COMPARABILITY ALLOWANCE PLAN



# Operations Memorandum

**NUMBER:** 041-2002 (6000)  
**DATE:** 12/9/2002  
**SUBJECT:** Physician/Dentist  
Comparability Allowance  
Plan

**EXPIRATION DATE:** 12/9/2003

1. **PURPOSE AND SCOPE.** To update the Physician/Dentist Comparability Allowance Plan as authorized by Title 5 United States Code, Paragraph (2) of section 5948(a).

2. **DIRECTIVES REFERENCED**

PS 6000.05	Health Services Manual (9/15/96)
5 U.S.C. § 5948	Physicians Comparability Allowances
Public Law 106-591	Federal Physicians Comparability Allowance Amendments of 2000

3. **PHYSICIANS/DENTISTS COMPARABILITY ALLOWANCE PLAN.** Recent federal legislation amended the Federal Employees Health Care Protection Act of 1998 amends Title 5 United States Code, Paragraph (2) of section 5948(a) which authorizes the Bureau of Prison's Physicians/Dentists Comparability Allowance Program (PCAP) and (DCAP).

a. The Physician Comparability Allowance (PCA) and the Dentist Comparability Allowance (DCA) is authorized to address physician/dentist position recruitment and retention problems.

- ! Physicians and dentists eligible to receive a PCA/DCA may, under these guidelines, enter into a contract with the Bureau.
- ! The contract provides that, by receiving the PCA/DCA, the physician/dentist assumes the obligation to serve without interruption throughout the term of the contract.

Entering into such an agreement is strictly voluntary. Failure to enter into an agreement in no way affects the physician's/dentist's rights under a previous agreement and in no way affects employment status.

b. The Bureau of Prisons is granted permanent authority to enter into PCA/DCA agreements with eligible staff.

! Both the Office of Personnel Management (OPM) and the Office of Management and Budget (OMB) establish regulations under which the Act's provisions are adopted and administered by Federal agencies.

! The Bureau's PCAP and DCAP conform with those regulations and guidelines.

c. The maximum amounts authorized for a PCA/DCA by statute are outlined in following tables:

**MAXIMUM ALLOWANCE SCALE ALL GRADES OF PHYSICIANS  
(1 OR 2 YEAR CONTRACT)**

<b>Factors</b>	<b>Service of 24 months or less</b>	<b>Service over 24 months</b>
Base	\$12,000	\$18,000
Board Certified Allowance	\$2,000	\$ 5,000
Clinical Director General Population Institutions	-----	\$ 4,000
Clinical Director MRCs Chief Psychiatrist MRCs (also, AW(M), BOP Clinical Consultants)	-----	\$ 7,000
	(Maximum \$14,000)	(Maximum \$30,000)

**MAXIMUM ALLOWANCE SCALE ALL GRADES OF DENTISTS  
(1 OR 2 YEAR CONTRACT)**

<b>Factors</b>	<b>Service of 24 months or less</b>	<b>Service over 24 months</b>
Base	\$12,000	\$18,000
Board Certified Allowance	\$2,000	\$5,000
Chief Dental Officer (GP Institutions)	-----	\$4,000
Chief Dental Officer (MRCs)	-----	\$7,000
	(Maximum \$14,000)	(Maximum \$30,000)

d. Board Certification allowances will be approved on a case-by-case basis by the Medical Director contingent upon the Bureau's physician specialty needs as determined by the institution's population.

e. **Executing a Contract.** Wardens initiate a PCA/DCA contract with the institution physician/dentist.

Applicants eligible for PCAP/DCAP positions will be informed of such eligibility by the Warden, or his or her designee, when employment is offered.

- ! The initiation of a contract is at the Warden's discretion.
- ! Wardens may choose not to initiate a contract based upon 5 U.S.C. § 5948.
- ! All institution initiated PCAs/DCAs must be forwarded to the Regional Director for approval.
- ! While initial negotiation and evaluation must be made locally and then regionally, the Medical Director retains final authority to approve, modify, or disapprove all allowances. If the Medical Director modifies or disapproves the allowance, he or she, or his or her designee, will provide the rationale and final decision in writing to the employee. The decision to deny a PCA/DCA will be made in accordance with 5 U.S.C. § 5948.

f. **Allowance Eligibility.** Determination that a physician/dentist is eligible for his or her position is to be in accordance with the GS-602/680 classification standards.

! For the purposes of this Operations Memorandum, an individual is "employed as a physician or dentist" only if he or she is serving in a position the duties and responsibilities of which could not be satisfactorily performed by an incumbent who is not a physician or dentist.

! Physicians/dentists employed in Bureau positions that do not actually require a physician/dentist to occupy the position are not eligible for a PCA/DCA.

g. **Recruitment Difficulty Criteria.** Examples of relevant data measuring recruitment difficulty may include:

- (1) Length of position vacancy.
- (2) Number of unqualified applicants (as a percentage of total applicants received/reviewed for the vacant position).
- (3) Number of applicants interviewed and found unacceptable because they were under qualified (expressed as a percentage of the total interviews conducted for the vacant position).
- (4) Number of physicians rejecting offers of employment and citing inadequate compensation as the reason (expressed as a percentage of the total number of employment offers made for the position).

h. Physicians/dentists occupying positions:

- ! that have been certified to require a physician/dentist,
- ! have documented recruitment and retention problems, and
- ! have been authorized by the Medical Director, may be offered contracts for one or two years of service.

i. **PCA/DCA Contract.** A contract entered into under the PCAP/DCAP's provisions must be specific for an individual, position, and institution.

- ! Should an individual move to a position or an institution other than that for which the contract is executed, the contract is to be terminated.
- ! A new contract is then subject to renegotiation under the termination and renewal provisions of the PCAP/DCAP.

j. **Termination.** The Bureau may terminate the agreement by written notice when it is in the Bureau's best interest; by the employee via written notice; or when any one of the following occurs:

- (1) End of employment.
- (2) Assignment to a position or status excluded from PCA/DCA coverage or not approved for a PCA/DCA.
- (3) Completion of the service agreement, enactment of superseding law, or last day allowed by law for a PCA/DCA.
- (4) Change of tour of duty to less than 40 hours per pay period or to an intermittent tour of duty.
- (5) Loss or failure to maintain a valid license to practice medicine/dentistry.

Termination of the agreement prior to its scheduled expiration date may require the physician/dentist to repay all, or part, of the gross PCA/DCA. Title 5 U.S.C. § 5948(e) provides that agencies may waive, in whole or in part, PCA/DCA repayment under certain conditions (involuntary separation without cause, e.g., due to a medical condition; a legislative change; mandatory retirement; or other circumstances beyond the physician's or dentist's control). A request to waive repayment will be made through the Medical Director.

k. **Repayment Schedule.** When a repayment is required, the repayment must be in a lump sum according to the following schedule:

- (1) For a physician/dentist who has executed a one-year agreement and who does not complete one year of service, the payback amount is 100 percent of the gross PCA/DCA.
- (2) For a physician/dentist who has executed a two-year agreement and who does not complete one year of service, the payback amount is 100 percent of the gross PCA/DCA.

- (3) For a physician/dentist who has executed a two-year agreement and who completes at least one year of service, the payback amount is 50 percent of the gross PCA/DCA.

#### **1. Special Provisions**

(1) The Warden will provide the physician/dentist a written explanation of the intent to suspend, withhold, or terminate the PCAP/DCAP. The physician/dentist will have 10 working days to respond in writing to the Warden's letter. The Warden will have the final decision authority.

(2) The PCA/DCA is paid biweekly in equal amounts incorporated into the physician's/dentist's regular paycheck throughout the service period. The PCA/DCA is taxable and is considered to be a portion of the recipient's base pay for purposes of compensation, lump sum payments, workers' compensation, and life insurance benefits. Applicability of the PCA/DCA to retirement computation is found in subsection m.(1).

(3) When a physician/dentist has to repay a Federal loan that has an optional provision for waiver of all or part of the loan in return for service, the physician/dentist will have the amount deducted from any PCA/DCA.

- (4) A PCA/DCA may not be paid to any physician/dentist who:

- ! is employed on less than a half-time or intermittent basis.
- ! occupies an internship or residency training program.
- ! is a re-employed annuitant, or is fulfilling a scholarship obligation (i.e., a National Health Service Corps scholarship or any other scholarship program that requires repayment by Government service).

(5) Normally, the PCA/DCA may not be paid to retired members of the uniformed services or to members who resign or inactivate their commissions.

- ! The Medical Director may grant exceptions based upon documented evidence that failure to grant an exception would result in a loss of an eminently qualified physician/dentist urgently needed to fill a position.

(6) Physicians/dentists granted Leave Without Pay (LWOP) while under a service contract must have their PCA/DCA payments terminated during the period of absence.

- ! Payments of a prorated amount of the PCA/DCA under the expired portion of the contract will resume upon return to the same position.
- ! No part of the LWOP may be counted toward meeting the 24-month Federal service requirement.

**m. Applicability to Civil Service Retirement System (CSRS) and Federal Employees Retirement System (FERS).**

(1) **Computation Rules.** No part of a PCA/DCA may be treated as basic pay for purposes of any retirement computation unless, before the date of the separation on which the entitlement to annuity is based, the separating individual has completed at least 15 years of service as a government physician or dentist; after this condition has been met, any amounts received as PCA/DCA are treated as base pay for retirement purposes, but only to the extent the amounts are attributable to service performed on or after December 28, 2000, and only to the extent of the percentage as follows:

<b>Total amount of service performed on or after 12/28/2000 as a Government physician or dentist is:</b>	<b>Allowable percentage:</b>
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Less than 2 years .....	0
At least 2, but less than 4 years.....	25
At least 4, but less than 6 years.....	50
At last 6, but less than 8 years.....	75
At least 8 years.....	100

For purposes of an annuity based upon disability, or a survivor annuity based upon the service of an individual who dies before separating from service, all amounts received as PCA/DCA are treated as basic pay.

**n. Contract Implementation**

(1) **Authority.** The Medical Director is authorized to determine a physician's/dentist's basic eligibility for inclusion in the PCAP/DCAP and retains authority to approve all PCA/DCA contracts.

(2) **New PCA/DCA Contract.** The contract for an allowance is negotiated with the physician/dentist, then forwarded for final approval to the Medical Director through the institution's Human Resource Manager (HRM), the Warden, and the Regional



Director. In addition to the contract, the request must include a cover letter from the Warden containing the following:

- (a) Description of the specialty required.
- (b) Rationale and justification for the PCA/DCA as appropriate (recruitment and retention problems).
- (c) An analysis of the applicant's credentials.
- (d) The final dollar amount of the PCA/DCA requested.

After reviewing the request, the Medical Director notifies the Warden through the Regional Director of the decision.

**o. Renewal of PCAP/DCAP Contract.** Each physician/dentist desiring to renew a contract needs to notify the institution's Human Resource Manager of their intent to renew.

- ! The HRM forwards the request, cover letter, and contract to the Medical Director through the Warden, and the Regional Director.
- ! To avoid delays in renewal agreements, applications for the Medical Director's approval must be submitted 60 days in advance of the desired effective date.
- ! The effective date cannot precede the date of the Medical Director's signature.
- ! The institution HRM contacts the Medical Director's office requesting approval should the Medical Director's approval not be received at least one pay period prior to the proposed effective date.
- ! Renewal of a PCAP/DCAP contract is not automatic. Any contractual, job performance, or organizational difficulties must be addressed prior to renewal.

**p. Adjustment of PCAP/DCAP Contract After 24 Months/Change in Board Certification.** After a physician/dentist completes 24 months of Federal service or there is a change in Board Certification a new PCA/DCA agreement is to be completed.

- ! The institution HRM initiates a new contract indicating the new amounts in accordance with the new schedule.

- ! The Warden and the physician/dentist are to date and initial these changes and send the contract to the Medical Director through the Regional Director for final approval.
- ! The beginning and ending dates of the contract must not change.

q. **Effective Date of the Contract.** The PCA/DCA contract is effective the beginning of the first pay period after the date the approving official signs the contract.

- ! The Medical Director may authorize a retroactive PCA/DCA under administrative error circumstances (i.e. institution/regional/Central Office staff inadvertently caused a delay in processing the PCA/DCA).

r. **Responsibility of the Institution's Human Resource Manager.** The Human Resource Manager explains to each physician/dentist the PCA/DCA's purpose and major aspects, terms, and conditions.

- ! Upon approval of the agreement, the original agreement is forwarded to the HRM, who provides a copy to the physician/dentist and files the original on the left hand side of the Official Personnel Folder.
- ! When a physician/dentist is separated from service while receiving a PCA/DCA or when the contract expires without renegotiation or renewal, the HRM must notify the National Finance Center (NFC) and furnish a copy of the notification to the Medical Director's office.

s. **Assistance.** Questions regarding the PCAP/DCAP may be directed to the Medical Director's office.

4. **DISTRIBUTION.** This OM is to be distributed at each affected work site to all staff who are responsible for initiating and renewing Physician/Dentist Comparability Allowance Plans.

5. **EFFECTIVE DATE.**

/s/Newton Kendig for  
Maryellen Thoms  
Assistant Director  
Health Services Division

PHYSICIANS/DENTISTS COMPARABILITY ALLOWANCE AGREEMENT  
To Receive An Allowance Under 5 U.S.C., Section 5948

NAME (TYPED): \_\_\_\_\_

FACILITY (TYPED): \_\_\_\_\_

POSITION (TYPED): \_\_\_\_\_

In consideration of the payments for which I qualify under the Federal Physicians/Dentists Comparability Allowance Program (PCAP/DCAP), as found in 5 U.S.C., Section 5948, 5 CFR 595, and this Program Statement, I hereby agree:

1) To serve as a physician/dentist for the Bureau of Prisons for \_\_\_\_\_ year(s) in a clinical care/program position (Category I).

2) That the amount of the allowance for which I qualify and which will be payable to me shall be determined by the Medical Director as prescribed by this Program Statement. The allowance payable under this authority is \$\_\_\_\_\_ per year, for a period of \_\_\_\_\_ year(s), paid in biweekly portions and included in my paycheck.

3) That acceptance of this agreement does not alter the conditions or terms of my employment.

4) That this contract applies to a specific position and location. If I move to a different position or location, I understand that this contract is terminated and is subject to the termination provisions of this Program Statement. A new contract may be negotiated at that time.

5) That if the agency determines to terminate this agreement, the Warden will provide me a written explanation of the decision to terminate the agreement or the PCA/DCA prior to the termination of the contract. I will have 10 workdays to dispute the decision to terminate the PCA/DCA.

6) That if I, voluntarily or because of misconduct, fail to complete at least 1 year of service under either a 1- or 2-year agreement, I will refund 100 percent of the gross amount paid me through the Physicians/Dentists Comparability Allowance Program. The only exception to this is when the Medical Director determines that failure to complete 1 year of service is due to circumstances which are beyond my control.

7) That if I, voluntarily or because of misconduct, fail to complete the second year of service under a 2-year agreement, I will refund 50 percent of the gross allowance paid to me under this contract.

8) That any amount which I may become obligated to repay under the provisions of this agreement shall be payable in full in lump sum prior to my leaving the service of the Bureau of Prisons or upon termination of the agreement, whichever is first.

9) That the effective date of this agreement will be the beginning of the first pay period following the dated signature of the approving official.

10) That there is no provision for retroactive payments prior to the signature of the approving official except in the rare case of administrative error.

11) That if I have a Federal loan which has an optional provision for waiver of all or part of the loan in return for service, I shall have the amount due to be waived during the service year deducted from any allowance for which I may be entitled under the provisions of the Physicians Comparability Allowance Program.

(a) The amount of loan repayment being waived during this service year is \$\_\_\_\_\_. The amount to be waived during the term of this contract is \$\_\_\_\_\_. (Enter "none" if this does not apply.)

12) That I am not fulfilling a scholarship obligation, such as a National Health Service Scholarship, which requires repayment by Government service.

13) That the provisions of the Bureau of Prisons' Program Statement on the Physicians/Dentists Comparability Allowance Program are incorporated by reference into this agreement and that these provisions were explained to me by the Human Resource Manager or his/her designee. I have received a copy of the Bureau of Prison's Program Statement on the Physicians/Dentists Comparability Allowance Program.

14) CHECK ONLY ONE:

☐ I am **Not** Board Certified.

☐ I **Am** Board Certified in the following medical specialty  
(ATTACH A COPY OF BOARD CERTIFICATE.)

<u>SPECIALTY</u>	<u>DATE CERTIFIED</u>	<u>EXPIRATION DATE</u>
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15) CHECK:

☐ Attach a copy of the internship/residency completion certificate if applicable.

☐ I currently possess a valid license to practice medicine or dentistry in the State of \_\_\_\_\_

☐ Attach a copy of license to practice medicine or dentistry.

I AGREE TO THE TERMS AND CONDITIONS OF THIS CONTRACT.

\_\_\_\_\_  
(PHYSICIAN'S/DENTIST'S SIGNATURE)

\_\_\_\_\_  
(DATE)

\_\_\_\_\_  
(SOCIAL SECURITY NUMBER)

**THE INSTITUTIONAL HUMAN RESOURCE MANAGER IS TO COMPLETE THE  
FOLLOWING CHECK LIST:**

Contract for \_\_\_\_\_ year(s).

Compensation Physician/Dentist has been granted annually is  
\$\_\_\_\_\_ (Excluding PCA/DCA, but including base pay and all  
other bonuses and awards.)

Compensation Physician/Dentist has been granted annually is  
\$\_\_\_\_\_ (Including PCA/DCA and base pay and all other  
bonuses and awards.)

Number of Years of Continuous Service: \_\_\_\_\_  
(Enter "none" if this does not apply.)

Copy of Board Certification Attached \_\_\_\_\_

Copy of Internship and Residency Certificate Attached \_\_\_\_\_

Copy of Valid License to Practice Medicine/Dentistry Attached  
\_\_\_\_\_

Clinical Director/Chief Dental Officer \_\_\_\_\_yes \_\_\_\_\_no

Clinical Director/Chief Dental Officer (MRC) \_\_\_\_\_yes \_\_\_\_\_no

Chief Psychiatrist (MRC) \_\_\_\_\_yes \_\_\_\_\_no

This is a \_\_\_\_\_ new or \_\_\_\_\_renewal contract.

If new contract, how long was physician/dentist position vacant?  
\_\_\_\_\_

**BUREAU SIGNATURES AS REQUIRED:**

\_\_\_\_\_  
(SUPERVISOR'S SIGNATURE)

\_\_\_\_\_  
(DATE)

\_\_\_\_\_  
(HUMAN RESOURCE MANAGER'S SIGNATURE)

\_\_\_\_\_  
(DATE)

\_\_\_\_\_  
(WARDEN'S SIGNATURE)

\_\_\_\_\_  
(DATE)

\_\_\_\_\_  
(REGIONAL HEALTH SYSTEM ADMINISTRATOR'S  
SIGNATURE)

\_\_\_\_\_  
(DATE)

\_\_\_\_\_  
(REGIONAL DIRECTOR'S SIGNATURE)

\_\_\_\_\_  
(DATE)

\_\_\_\_\_  
(MEDICAL DIRECTOR'S SIGNATURE)

\_\_\_\_\_  
(DATE)